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Assemblymember Nava Continues Fight Against Expanded Offshore Drilling

Assemblymember Pedro Nava (D-Santa Barbara) and a coalition of California environmental leaders have announced their vehement opposition to Gov. Arnold Schwarzenegger's newest oil drilling budget scheme. The Governor's plan would cut all General Fund money for state parks and handcuff their operation to oil money borrowed from future royalties from an offshore oil drilling lease off the coast of Santa Barbara County.



"The PXP proposal is the Governor's third Environmental Strike," Assemblymember Nava said. "Strike One — his support for the polluting LNG project off Malibu/Oxnard. Strike Two — his support for the toll road through San Onofre State Park, and Strike Three — his newest environmental disaster, the PXP proposal, the first new lease in California Sanctuary Act waters in 40 years. Say bye-bye to any environmental legacy."

The Governor's scheme requires that the State Lands Commission (SLC) approve a lease proposal by Plains Exploration and Production Company (PXP). The PXP "Tranquillon Ridge" proposal was rejected last year on a 2 to 1 vote by the three-member SLC because it had unenforceable public benefits, dubious environmental mitigation, and significantly increased the risk of oil spills off the coast. The PXP proposal would be the first new oil drilling lease in more than 40 years, and would allow drilling in the California Coastal Sanctuary.

"Our coast is one of our most important economic resources," said Dan Jacobson, Legislative Director for Environment California. "Threatening our coast with more oil drilling to balance the budget is laughable."

Last year marked the 40th anniversary of the Santa Barbara oil spill when more than 3 million gallons of oil choked 35 miles of California's coastline causing a path of destruction never before seen in our nation's history. The carcasses of dolphins and seals washed ashore and countless birds, fish and other wildlife wore black shrouds. The spill and its aftermath galvanized the country, raised environmental awareness, and was the catalyst to the modern environmental movement in the United States.

Also in This Issue:

More Than 100 Environmental Groups Now Oppose the PXP Proposal

See What California's Environmental Leaders Have to Say About the PXP Offshore Oil Drilling Deal

Broad Coalition Gets Behind Oil Industry Fair Share Act

Oil Severance Tax Could Help Rescue Essential Services

More than 100 Environmental Groups Now Oppose the PXP Proposal

American Cetacean Society

Monterey Bay

Amigos de Bolsa Chica

Audubon California

Ballona Institute

Beacon Foundation

Bodega Bay Concerned Citizens

Bolsa Chica Land Trust

Buena Vista Audubon

California Coastal Coalition

California Coastal Protection

Network

California Gray Whale Coalition

California League of Conservation Voters

Center for Biological Diversity

Citizens for the Preservation of Parks & Beaches

CLEAN

Clean Water Action

Coalition for a Safe Environment

Coast Action Group- Point Arena

Coastal Environmental Rights Foundation

Coastwalk California

Committee for Green Foothills

Cornucopia Foundation

Defenders of Wildlife

Earth Alert

Ecoslo

El Dorado Audubon

Endangered Habitats League

End Oil

Environment California

Environmental Action Committee of W. Marin

Environmental Health Coalition

Environmental Protection Information Center

Friends of Del Norte

Friends of the La Jolla Seals

Friends of Harbors, Beaches and Parks

Golden Gate Audubon, San Francisco

Hands Across our Beaches

Heal the Bay

Huasna Valley Association

Humboldt Baykeeper

Inland Empire Waterkeeper

Los Angeles Audubon

La Purisima Audubon

Land Watch of San Luis Obispo County

League for Coastal Protection

Long Beach Coalition for a Safe Environment

Madrone Audubon

Malibu Coalition for Slow Growth

Malibu Coast Land Conservancy

Malibu Township Council

Marin Audubon Society



Mendocino Group, Sierra Club

Morro Coast Audubon

Natural Resources Defense
Council

North Coast Environmental
Center

North Coast Rivers Alliance

Ocean Outfall Group

Orange County Coastkeeper

Orange County CLCV

Ormond Beach Observers

Pacifica Climate Committee

Pacifica Shorebird Alliance

Palos Verdes/South Bay Audubon

Palos Verdes Peninsula Land Conservancy

Planning and Conservation League

Pelican Network

Preserve Calaveras

Redbud Audubon

Redwood Region Audubon

Residents for Responsible Desalination

Russian River Keeper

San Bernardino Valley Audubon

San Diego Audubon

San Diego Coastkeeper

San Fernando Valley Audubon

San Luis Obispo Coastkeeper

Santa Cruz County Group

Sierra Club California

Santa Monica Baykeeper

Save Our Coast/Malibu Dolphin Watch Foundation

Save our Shores

Save our Waterfront Committee of Monterey

Sea and Sage Audubon

Sequoia Audubon

Sierra Club California

South Laguna Civic Association

Surfer's Environmental Alliance

Surfrider Foundation

Unite Here Local 3

Urban Wildlands Group

Ventura Audubon

Ventura Coastkeeper

Village Laguna

Vote the Coast

We are Marina del Rey

Western Alliance for Nature

Wetlands Defense Fund

Wild Heritage Planners

Wildcoast

Wintu Audubon

Yosemite Area Audubon

See What California's Environmental Leaders Have to Say About the PXP Offshore Oil Drilling Deal:

ELECTED OFFICIALS:

Assemblymember Pedro Nava:

"The PXP proposal is the Governor's third Environmental Strike. Strike One — his support for the polluting LNG project off Malibu/Oxnard. Strike Two — his support for the toll road through San Onofre State Park, and Strike Three — his newest environmental disaster, the PXP proposal, the first new lease in California Sanctuary Act waters in 40 years. Say bye-bye to any environmental legacy."



Senator Fran Pavley:

"California's state parks are not a bargaining chip for approving an offshore oil drilling proposal that has been rejected by the Legislature and the State Lands Commission."

Assemblymember Noreen Evans:

"Our coast and our state parks define California. It's disingenuous to say that one must be sacrificed for the other. That's why we must reject the Governor's proposal to expand offshore oil drilling to fund parks. California's coast is not for sale to the highest bidder. Another oil spill is a price Californians don't want to pay."



Assemblymember Jared Huffman:

"The Governor's cynical proposal to shut down our world-class state parks system unless we open up the California coast to new oil drilling is tantamount to blackmail, and it will not succeed. There are other credible options for keeping our parks open, including charging royalties or surcharges to those who already extract oil from state lands. Instead of opening up our pristine coast to new drilling, we should require those who currently drill to pay a modest tax — just like they do in Alaska, Texas, Louisiana, and every other oil-producing state. If the Governor is serious about funding our parks, and not just padding the profit margins of the oil industry, he will work with us on this obvious solution."



Assemblymember Bill Monning:

"I join with honor the many California residents who value our coastal environment and who oppose new offshore drilling as proposed by the Governor. We need to invest in safer alternative energy and protect our ocean and coastal integrity."



Assemblymember Julia Brownley:

"While California's Governor globe trots as an environmental savior, in his own backyard he proposes to expose our Golden State to potentially devastating oil spills, throwing away 40 years of protection for our fishing and tourist industries. We can avoid this economic and environmental disaster and save our parks by adopting an oil severance tax like other states have done."



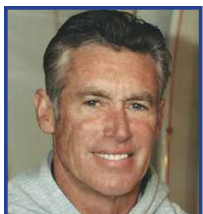
Assemblymember Wesley Chesbro:

"The future of our beloved state park system shouldn't be linked to the further destruction of California's celebrated coastline. Expansion of drilling off the California coast to pay for state parks is a paradox that defies reason. I represent a district that encompasses one third of the California shore and my constituents have been abundantly clear about their opposition to offshore oil drilling as well as their fierce support of our treasured state parks. I know we can be more creative than this and find a way to ensure a secure alternative energy future for California. However, in order to do that we need to stop relying on old standbys and start utilizing innovative, environmentally friendly solutions like renewable energy, alternative fuels and conservation. Holding out the carrot that we could possibly save our parks, but only if we sell out our treasured coastline is at best an unjust solution and at worst a form of emotional blackmail."



Mayor Pro Tem of Malibu Jefferson Wagner (Zuma Jay):

"I had high hopes for our 'Green Governor.' Upon departing political office I assumed he would pursue some national or international environmental agenda. It now sadly appears that we will have to find another champion for green awareness."



ENVIRONMENTAL LEADERS FROM ACROSS THE STATE:

Joel Reynolds, Director of the Natural Resource Defense Council's Marine Mammal Protection and Southern California Ecosystem projects and Co-director of NRDC's Urban Program:

"The Governor's intention to hold the state parks budget hostage to approval of the PXP Tranquillon Ridge proposal makes no environmental or economic sense. Our State Parks system is second to none in this country, and it is a powerful income generator for California. In these difficult economic times the Governor should be taking advantage of that fact instead of treating our parks like political poker chips in the long-running battle over oil development along our coast. We strongly oppose any proposal to make funding of our state parklands dependent in any way on resurrection of the PXP deal, already rejected by the State Lands Commission."



Fran Gibson, Coastwalk Board President:

"Coastwalk California opposes the Tranquillon Ridge project because offshore oil drilling brings up fossil fuel as crude petroleum that will, after polluting refinery practices, rise from our car exhausts as carbon dioxide to fill our atmosphere with more greenhouse gases that lead to catastrophic global temperature rises that cause sea level rise, melting land- and sea-glaciers, coral reef destruction, ocean acidification, wetlands and marsh destruction, species extinctions and diebacks, coastal erosion and flooding of coastal cities and lands worldwide. Fossil fuels trap us in the Carbon Age of oil, natural gas and coal energy sources that are speeding us toward runaway temperature climbs for staggering challenges for natural and human communities alike."

Sara Wan, California Coastal Commission:

"The PXP end date is not enforceable and the tax benefits do not outweigh the risk to the coast. Our coast is this state's most precious resource. Using extortion to force offshore oil drilling for the first time in over 40 years is unconscionable. This Governor is giving us a lose-lose choice — lose our coast or lose our parks. Neither is acceptable."



Susan Jordan, Director of the California Coastal Protection Network:

"The hypocrisy of this Governor cannot be understated. He would rather reverse 40 years of bipartisan California state policy against offshore oil drilling to push through a pet project that over 100 groups oppose than require that oil companies who profit off our state resources pay their fair share. If he wants revenue, he should stand up to the oil companies who have donated hundreds of thousands of dollars to him and call for a oil severance tax that could bring \$1.5 billion dollars to the state right now."

Janet Bridgers, documentary filmmaker and Earth Alert Founder/President:

"The California Coast belongs to the people of California. I have faith that the people, the laws and the courts of California will not allow Schwarzenegger to create such a hideous legacy for himself as resumed oil drilling off our beautiful coast."



Jack Eidt, Director of Wild Heritage Planners:

"We must hold fast to protecting our coasts from risky drilling that creates a polluting product responsible for fouling our beaches, our skies, our climate. Political and financial capital must be invested NOW in renewable sources of energy as well as rethinking our urban form, transportation modes, conservation practices, and personal lifestyle choices. If Gov. Schwarzenegger wants to finance the budget with oil revenues, how about levying fair share extraction fees on existing drilling with an Oil Severance Tax like the one proposed by Assemblymember Nava? [It] seems to work well in all the other oil-producing states."



**Andrew Christie, Director,
Santa Lucia Chapter of the Sierra Club:**

"A secret deal with unenforceable terms is not worth risking the loss of this coast."

Miriam Gordon, California Director of Clean Water Action:

"The California coast should not be made a sacrificial lamb used to fund state parks. Both parks and the coast are valuable elements of the public trust in California. Charging a severance tax on oil and gas extracted from state lands is a better way to bring badly needed money to the general fund. California is the only state that fails to do so. The PXP Tranquillon Ridge project will open a Pandora's box of oil lease projects off the coast."



Betsy Herbert, Ph.D., Environmental Analyst:

"What is green, loved by Californians, and doesn't cause oil spills? California State Parks. What is ugly, wrecks coastlines, and benefits only corporate fat cats? Offshore oil drilling. What the hell are you thinking [Gov. Schwarzenegger]?"

Vince Taylor, Ph.D., Executive Director Dharma Cloud Foundation, Mendocino:

"The Governor's attempt to split the public to sanction offshore drilling is politics at its very worst. The Mendocino Coast where I live soundly rebuffed offshore drilling efforts in the 1980s. Keep the parks open. Keep offshore drilling closed."



Francis Drouillard of the Mendocino Chapter of ORCA:

"I oppose the PXP/Tranquillon Ridge project because it's a sneaky way of changing decades-old state policy on off-shore drilling. Such a shift should be debated as a single-issue bill in the state legislature in the full light of day."

Board members of Friends of Harbors, Beaches and Parks:

"Gov. Schwarzenegger's plan holds our state parks funding hostage to oil and gas drilling that would bring coastal tourism, fragile ecosystems, and already-stressed fisheries within three miles of oil spills, blowouts, toxic drilling muds, pipelines, erosion, and rig air pollution."



Joey Racano, Director, Ocean Outfall Group:

"As we learned with the San Diego sewage waiver debacle, Arnold would rather paint the town brown than green. In this case, make that black — oil black!"

Jessica Aldridge, Executive Director of the Burbank Green Alliance:

"I reject Governor Schwarzenegger's proposal to eliminate public funding for California State Parks and replace it with funding from offshore drilling in Tranquillon Ridge. Please find alternative sources for funding state parks. I also reject any new offshore drilling projects off the California coast and support requiring oil companies that extract oil from California to pay a severance tax."



Gary Patton, environmental attorney, former Santa Cruz County Supervisor:

"California is unified in its opposition to more offshore oil drilling — and has been for over 30 years. In a time of global warming challenges, expanding hydrocarbon production is a big loser!"

Broad Coalition Gets Behind Oil Industry Fair Share Act

Assemblymember Pedro Nava has introduced The Oil Industry Fair Share Act. The legislation will establish an oil severance tax of 10 percent on the gross value of each barrel of crude oil pumped by companies in California. This tax will provide more than \$1.5 billion in revenue to the General Fund annually. These desperately needed dollars could be used for state parks, public safety, education, health programs for children, human services, and other vital programs.

"California oil companies are getting a free ride. Right now, California is the only major oil-producing state that does not charge a severance tax on oil extraction. It is time for California to catch up with Alaska, Texas, Alabama, and Arkansas. We need to collect the people's share of this revenue source by forcing Big Oil to pay its fair share," Nava said.



The Governor is advocating for a proposal to allow a single oil company to bypass existing environmental review processes and begin the first new drilling in Santa Barbara in California Coastal Sanctuary waters in more than 40 years, since the 1969 Santa Barbara oil spill. This will raise less than \$100 million annually.

"The Governor is placing at risk coastal recreation and tourism industries by advocating for new offshore oil drilling in the Coastal Sanctuary," Nava said. "This is just plain wrong and wrong headed. New drilling is not the answer and is not worth the risk. My proposal will generate more than 15 times the Governor's proposal annually without any new drilling or jeopardizing California's coastal environment and economy."

Nava's Oil Industry Fair Share Act has received broad support from many different organizations throughout the state:

- "With \$18 billion in cuts to education, this could be an important source of revenue to save important services for our students," said Jai Sookprasert, the tax policy analyst for the **California School Employees Association**.
- "Seniors have borne the brunt of these draconian budget cuts; we have seen a reduction in adult day health care programs that allow seniors to stay in their homes, the elimination of Alzheimer's research, and aid to low-income seniors has been slashed," said Gary Passmore of the **Congress of California Seniors**. "The Fair Share Act will bring much-needed revenues to support these essential programs."
- "Recent budget cuts are harming nurses' ability to provide for the critical health needs of people in our state," said Elizabeth Pataki, RN, of the **California Nurses Association**. "An oil severance tax could provide much-needed revenue to help pay for Californians' healthcare needs."
- "The last round of budget cuts has affected every Californian," said Willie Pelote of the **American Federation of State, County, and Municipal Employees**. "We are dismantling programs and need to ensure that sufficient revenue is available to mitigate the state's fiscal crisis."
- "Oil companies have been making enormous profits while depleting finite natural resources and polluting the environment," said Gina Goodhill of **Environment California**. "It is time they pay their fair share."

Oil Severance Tax Could Help Rescue Essential Services

Here is one possible way in which oil revenues could be spent based on the proportional cuts to programs from the 2008-2009 budget with full reinstatement of Parks and Williamson Act cuts:

Barrels of Oil	Gross Value of Barrel	Severance Tax	Revenues
215,700,000	\$70.00	10.0%	\$1,509,900,000

Major General Fund Programs	2008-09 Cuts	2009-10 Cuts	Total Cuts 08-10	How severance tax could help:
K-14 Education	\$2,056,000,000	\$4,463,100,000	\$6,519,100,000	\$608,999,000
Higher Education	\$1,431,000,000	\$568,800,000	\$1,999,800,000	\$185,227,600
RDA Shift		\$1,700,000,000	\$1,700,000,000	\$155,539,500
Corrections and Rehabilitation		\$785,500,000	\$785,500,000	\$68,031,463
MediCal		\$1,381,800,000	\$1,381,800,000	\$124,341,500
SSI/SSP		\$108,200,000	\$108,200,000	\$10,116,330
CalWORKS		\$509,600,000	\$509,600,000	\$45,712,840
IHSS		\$263,500,000	\$263,500,000	\$22,674,017
Developmental Services		\$284,000,000	\$284,000,000	\$24,574,240
Mental Health		\$163,900,000	\$163,900,000	\$14,099,000
Healthy Families		\$178,600,000	\$178,600,000	\$16,608,900
CWS and Foster Care		\$120,600,000	\$120,600,000	\$10,569,300
Other HHS		\$361,600,000	\$361,600,000	\$31,217,800
Courts		\$168,600,000	\$168,600,000	\$15,099,000
Employee Compensation	\$62,500,000	\$783,600,000	\$846,100,000	\$75,514,800
State Parks		\$14,000,000	\$14,000,000	\$14,000,000
Williamson Act		\$27,800,000	\$27,800,000	\$27,800,000
Others	\$158,000,000	\$533,900,000	\$691,900,000	\$59,774,710
Totals	\$3,707,500	\$12,417,100,000	\$16,124,600,000	\$1,509,900,000

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